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ABSTRACT

In independent colleges and universities, the committee on trustees is most important to the institution's long-term effectiveness. The charge to this committee should include the following responsibilities: helping the board determine desired board composition; populating the board with able, dedicated trustees and maintaining a candidate list; overseeing the orientation and development of new board members; reviewing performance of incumbent trustees and overseeing periodic board self-evaluations; and nominating and reviewing board officers' performance annually. It should also recognize exceptional trustee service. The committee should have seven to nine carefully selected members who represent the business and financial communities, and the chair should be a respected, dedicated, and thoughtful board member. Committee agendas and any necessary background materials should be developed by staff in close consultation with the president and committee chair, and distributed in advance of each meeting. The agenda should routinely include: a summary update by president or chair; discussion of short- and long-term board needs; review of current prospects; and discussion of the strategy for filling immediate needs. A special committee meeting including a performance review of the previous year should be scheduled at least once a year. A sample board profile worksheet for assessing board membership characteristics is included. (MSE)

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ED 412 787

BOARD BASICS

EFFECTIVE COMMITTEES

# THE COMMITTEE ON TRUSTEES

BY ROBERT L. GALE

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# The Committee on Trustees

In independent colleges and universities, no standing committee is more important to a board's long-term effectiveness than the committee on trustees. That it frequently is called by such other names as the nominating committee, the committee on board membership, or the committee on board development testifies to its broader and more significant functions in recent years.

In far too many cases, the strongest board members are asked to serve on such committees as finance, development, or buildings and grounds, while service on the committee on trustees is given second or third priority. No mistake could be bigger. It is the committee on trustees that determines whether the board's composition will match the board's considerable responsibilities. Only the most able, influential board leaders will have the capability to identify, cultivate, and enlist the kinds of people needed to guide a college or university through its challenges.

(In public higher education, trustees and regents most often are appointed by governors. Some states provide for legislative review of nominations, and in a few states, trustees of a handful of public institution boards are elected. Consequently, this publication is aimed at the boards of independent institutions, although some of the advice here may generally apply to public institution boards.)

## Committee Charge

The charge to this committee should include at least five responsibilities designated clearly in writing in the bylaws or separately:

- to help the board determine desired board composition in terms of influence, diversity, and talents;
- to populate the board with able, dedicated trustees by maintaining a viable list of candidates and by cultivating top prospects;
- to oversee the orientation and development of new board members;
- to review the performance of incumbent trustees, particularly those up for reelection, and to oversee periodic reviews by the board of its own performance; and
- to nominate and review the performance of board officers annually.

## Committee Structure

Ordinarily, a committee on trustees should have seven to nine members, depending on the board's size. The committee should be selected carefully by the board chair in close consultation with the president. Because of the great need for fund-raising, the business and financial communities should be represented by appropriate trustees.

Special care must be given to selection of the committee chair, who ideally should be one of the most respected, dedicated, and thoughtful board members; often, the committee chair's competence will be the decisive factor affecting future composition of the board.

Other committee members ought to have demonstrated distinctive service to the institution and have access to good trustee prospects. Continuity on the committee also is important to maintain a strong sense of institutional memory.

As suggested earlier, the committee on trustees needs a clear statement of purpose in the bylaws or other policy document. The following bylaw provision is illustrative:

EVEN A GOOD COMMITTEE ON TRUSTEES WITH WELL-DEFINED DUTIES WILL NOT OPERATE SATISFACTORILY UNLESS A CLEAR SET OF WRITTEN PRACTICES IS ADOPTED SEPARATELY FROM THE BYLAWS.

*The committee on trustees shall have (___) members. It shall present to the board of trustees nominations for trustees to be elected by the board and or chair, vice chair(s), secretary, and treasurer. It also shall nominate at-large member(s) of the board of trustees to serve on the executive committee for one-year terms. The committee shall furnish information relating to the background and qualifications of all such nominees at least two weeks prior to the board meeting at which an election or appointment is scheduled to take place.*

*The committee shall maintain a current profile of the board's membership composition to guide the selection process. It shall annually review the performance of incumbent trustees and board officers who are eligible for reelection, and it shall develop and help administer a program of orientation with the president for newly elected trustees. The committee shall also, subject to the requirements as set forth in these bylaws, nominate trustees emeriti. It shall encourage periodic programs of in-service education for the board. The committee shall report to the board at meetings and otherwise as circumstances dictate.*

In addition, even a good committee on trustees with well-defined duties will not operate satisfactorily unless a clear set of written practices is adopted separately from the bylaws. These include the following:

- the minimum number of meetings to be held each year,
- the process by which nominees are solicited,
- the method of checking qualifications of prospective trustees,
- the manner in which recommendations are brought to the full board,
- the manner in which nominees are enlisted to serve on the board, and
- the process by which newly elected board members are oriented.

THE FIRST RESPONSIBILITY OF A COMMITTEE ON TRUSTEES IS TO DECIDE THE IDEAL COMPOSITION OF THE BOARD.

Finally, select an appropriate staff person—either the vice president for development or perhaps the president—to serve the committee. In any event, the president must be included in all meetings, and his or her views always solicited. It also is good practice for the board chair to serve as an ex-officio member of the committee.

## COMMITTEE RESPONSIBILITIES

Obviously, the overarching responsibility of the committee is to build the best board possible. This responsibility can be best achieved by successfully addressing each of the following functions.

*1. Determine board composition.* The first responsibility of a committee on trustees is to decide the ideal composition of the board. Without determining this, it is impossible to make individual decisions on nominees to put forward to the board for election. The chart on pages 6-7 might be a good place to start.

The committee should fill in on the chart an ideal board profile for its institution. Then, beside these figures, it should list the current board composition. By comparing these lists, the committee can determine priorities and adopt long-range goals to change the board makeup, if necessary.

In determining an ideal board profile, it is vitally important to look at the specific and current needs of the college or university. For example, most institutions need more fund-raising help from their board members than they currently receive; others might be moving into a building program or need someone with legal experience. This is the time to determine what other constituent groups should be represented on the board (for example, members of church groups). Frequently, these positions are mandated by the institution's charter or bylaws, but such provisions should be reviewed with the appropriate authority as necessary.

2. ***Identify prospects.*** Once needs are identified, the committee's prime responsibility is to locate prospects to fill those needs. The committee should invite suggestions from appropriate constituencies and especially solicit ideas from other members of the board. Certain staff members, such as development and academic officers, can aid in the identification of candidates who could help, for example, with public relations, fund-raising, and academic program priorities. Committee members should be aware, however, that they will have to identify the vast majority of prospective nominees.

3. ***Cultivate prospects.*** After the committee identifies a list of prospects, members must determine who needs cultivation and who already is involved enough with the institution to be asked to join the board at the appropriate time. Cultivation of particularly strong candidates might take a year or two and could include invitations to the campus for special events, visits by the president, social engagements with certain board members, and so forth.

4. ***Enlist new board members.*** Once the decision is made to approach a specific prospect, the committee is responsible for overseeing enlistment procedures. Many good prospects are lost because they are not approached properly; it is vital that the method of enlistment for each candidate be discussed in advance.

If possible, the approach should be made in person; generally, two people can do a better job than one. This team might consist of the president and the board chair or the president and chair of the committee on trustees. The fact that a board member has made time for such an activity generally is flattering to prospective trustees and makes it more difficult for the invitee to decline.

As part of this process, the potential new member should receive the board's written statement about expectations, responsibilities, and orientation.

5. ***Orient new board members.*** One of the committee's duties is to ensure that an orientation procedure is in place so all new trustees receive early and adequate education about the institution and their duties. Such orientation may be carried out by staff, but the procedures should be overseen by the committee and should involve board members. The orientation should communicate the seriousness with which the institution takes the work of the board and the commitment the new member is making.

## Sample Board Profile Worksheet

| | *Current Profile 1996* | *Ideal Profile 199* |
|---|---|---|
| **Age** | | |
| 70 and over | | |
| 60-79 | | |
| 50-59 | | |
| 40-49 | | |
| 30-39 | | |
| Under 30 | | |
| **Sex** | | |
| Female | | |
| Male | | |
| **Race** | | |
| White | | |
| Black | | |
| Hispanic | | |
| Asian | | |
| Native American | | |
| Other | | |
| **Area of Expertise** | | |
| Administration | | |
| Agriculture | | |
| Business | | |
| Education | | |
| Finance | | |
| Fund-Raising | | |
| Government | | |
| Health/Medical | | |
| Legal | | |
| Marketing | | |
| Physical Plant | | |
| Public Policy | | |
| Public Relations | | |
| Religion | | |
| Technology | | |
| Other | | |
| **Geographic Distribution** | | |
| New England | | |
| Midatlantic | | |
| Southeast | | |
| Midwest | | |
| Southwest | | |
| Northwest | | |
| West | | |
| **College Relationship** | | |
| Alumni | | |
| Parents | | |
| Other | | |
| **Financial Position** | | |
| Independent | | |
| Salaried | | |
| Other | | |
| **Length of Service** | | |
| Over 10 years | | |
| 5-10 years | | |
| 2-5 years | | |
| one year or less | | |

| | *Ideal Profile 1998* | *Ideal Profile 1999* |
|---|---|---|
| | | |
| | | |
| | | |

ANOTHER KEY RESPONSIBILITY OF THE COMMITTEE IS TO MONITOR AND HELP IMPROVE THE PERFORMANCE OF INDIVIDUAL BOARD MEMBERS, BOARD OFFICERS, AND THE BOARD AS A WHOLE.

6. *Deploy new board members.* The deployment of new trustees is a frequently overlooked responsibility. It is essential that new trustees immediately perceive themselves as part of the board and that they be placed on appropriate committees. Sometimes an ad-hoc committee assignment can get new trustees involved with the institution quickly. Give careful thought to special initiatives along these and other lines for each new trustee in light of his or her interests, skills, and experience.

7. *Monitor board and officer performance.* Another key responsibility of the committee is to monitor and help improve the performance of individual board members, board officers, and the board as a whole. This could include inservice development retreats and self-studies, attendance at professional meetings, and private discussions with individuals about their performance.

The committee should be adequately funded so board improvement and development can be a continuous process. Part of this responsibility includes developing guidelines for dealing with ineffectual or uninterested trustees—including termination procedures. It is essential that this committee take seriously its responsibility to stimulate trustee participation and to terminate the service of those who fail to respond.

8. *Recognize exceptional trustee service.* Exceptional service deserves notice. The committee should keep this in mind and implement appropriate ways of recognizing those who perform beyond the call of duty. Tasteful acknowledgment before the campus community reminds everyone, including the board, that trusteeship is important to the institution's future—and is appreciated.

## Committee Agenda

It is important that an agenda and any necessary background material be developed and distributed in advance of each meeting. The agenda probably should be drafted by the staff liaison in close consultation with the president and committee chair. When a final agenda is approved by the committee chair, it should be sent to other committee members. The committee should function consistently with its adopted list of procedures within the confines of its charge. If such principles of operation have not been developed, discuss such procedures in committee meetings. Guidelines might include the following areas:

- Qualifications and criteria for board membership;
- a rotation plan for board membership and officers;
- a statement of trustee responsibilities to be used in recruitment and self-assessment;
- a board profile as it exists and an ideal board profile to serve as a goal (see pages 6-7 for an example of a board profile); and
- the method and schedule for informing the full board of nominees to be considered in advance of elections.

Once working procedures have been established, make sure the committee agenda routinely includes the following points of discussion:

- a summary update by the president or committee chair;
- a discussion of short-term and long-term board needs;
- a review of current prospects being considered or cultivated; and
- a discussion of the strategy for filling immediate needs (for example: matching the current prospect lists with immediate needs and deciding on next moves, a plan for eliciting other names, and other suggestions from committee members).

At least once a year, schedule a special committee meeting that includes a performance review of the previous year. Issues such as the following might be added to that agenda:

- a review of the performance of individuals eligible for reelection, with a decision as to who should and should not be renominated; and
- a review of the performance of the board as a whole, with recommendations as to how it can function more effectively. This might include a look at how the committees are functioning and how they might be improved, suggestions for consultations with individual board members, the possibility of a board retreat, or recommendations that new members attend professional meetings.

As difficult as it is to do, the committee must remain aware of needs throughout the year, not just before the meeting when nominations have to be made. Once again, this can be done best by holding regularly scheduled meetings, with agendas set in advance, and with the help of good staffing.

## Conclusion

There are two vital ingredients in building a strong board of trustees: selecting good people and educating them early and well. No amount of orientation or stimulation can make an outstanding board out of a group of poorly selected individuals. Conversely, outstanding prospects may be wasted if they are not motivated properly and informed of their responsibilities. It is the role of the committee on trustees to carry out both tasks.

Obviously, the mission, direction, and needs of the institution strongly influence trustee selection. The president and board should examine these concerns together. The board and the president of an independent institution, once they agree on the fundamentals of their joint enterprise, can move to the committee stage and begin considering board composition.

In so doing, they may proceed in four steps:

- decide what specific skills are needed on the board,
- establish a search and recruitment procedure,
- establish an orientation procedure, and
- establish a procedure for terminating service of nonproductive board members.

These responsibilities clearly show that no committee is more important to the future of an institution than the committee on trustees. If the committee does its job well, the board's leadership role is strengthened, and the opportunities for institutional advancement are improved.

THERE ARE TWO VITAL INGREDIENTS IN BUILDING A STRONG BOARD OF TRUSTEES: SELECTING GOOD PEOPLE AND EDUCATING THEM EARLY AND WELL.

## RESOURCES


Ingram, Richard T. and Associates. *Governing Independent (Public) Colleges and Universities: A Handbook for Trustees, Chief Executives, and Other Campus Leaders.* San Francisco: Jossey-Bass, 1993.

Ingram, Richard T. *Effective Trusteeship: A Guide for Board Members of Independent (Public) Colleges and Universities.* Washington, D.C.: Association of Governing Boards of Universities and Colleges, 1995.

National Commission on College and University Trustee Selection. *Recommendations for Improving Trustee Selection in Private (Public) Colleges and Universities.* Washington, D.C.: Association of Governing Boards of Universities and Colleges, 1980.

BOARD BASICS

This publication is part of an AGB series devoted to strengthening the role of key standing committees of governing boards. Several assumptions underpin the series:

- The work of boards should be accomplished in committee. An effective committee system will enhance the productivity of full board meetings.
- The committee structure of any board should mirror the full range of its responsibilities as a legal, corporate entity. That is, the committee organization should cover the oversight roles expected of trustees.
- Although there is no optimum committee system, certain principles and procedures should prevail: The board's bylaws or other operating policy should include a clear, comprehensive statement of responsibility for each standing committee. Each committee should be staffed by an appropriate administrative officer; a trustee or regent should serve as chair. No trustee should serve on more than two active committees, preferably one—excluding the executive committee.
- Before scheduled meetings, each committee member should receive a concise, well-conceived meeting agenda and relevant background information prepared by the committee chair and staff. Committees are responsible for recommending decisions and actions to the full board.
- As committee members seek additional information to fulfill their responsibilities, it is important to strike a balance between "too much" and "too little." Committee members must guard against requesting overly detailed information to avoid the appearance of becoming embroiled in administration or overburdening it. Before members make information requests, perhaps they would be well-served by asking if all such requests contribute to the committee's and the board's responsibilities for reviewing, setting, or approving institutional policies.

The *Effective Committees* set of booklets comprises publications on the following committees: investment, buildings and grounds, academic affairs, student affairs, finance, development, trustees, audit, and executive. It is part of the AGB **Board Basics Series**. AGB and the authors welcome comments and suggestions to improve this publication and the others in the series.

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